

August 17, 2005

STENEHJEM ISSUES CEASE & DESIST ORDER AGAINST S & G ROOFING & CONSTRUCTION

BISMARCK – Attorney General Wayne Stenehjem has issued a Cease & Desist Order against Harrisburg, Illinois contractor Ellis McEwan, doing business as S & G Roofing & Construction, for sales as an unlicensed contractor and transient merchant, as well as misrepresentations. The Cease & Desist also applies to Bismarck contractor Robert J. Stroh doing business as S & G Roofing & Construction, for misrepresentation arising from his relationship with McEwan and sales to Bismarck homeowners.

The illegal activity was discovered August 16 during contractor compliance checks by the Interagency Contractor Task Force including the Attorney General's Consumer Protection Division, Workforce Safety & Insurance, Secretary of State Al Jaeger, and Job Service. Most of the work crew scattered when the task force stopped at the site. A crew foreman could not be located. Upon further investigation, S & G Roofing, in addition to be unlicensed, did not have liability insurance for these workers and they were not covered by Workforce Safety & Insurance.

"This activity by S & G Roofing confirmed our worst fears about the risks to consumers when unlicensed contractors are used," Stenehjem said. "If one of these workers had fallen off the roof, the results could have been catastrophic for the injured worker and the homeowner who could potentially be liable."

Stenehjem also is concerned that Robert Stroh had leased his business name, "S & G Roofing and Construction," to McEwan, allowing McEwan to misrepresent his status as a "local" company. Consumers apparently believed they were dealing with a local company, when they engaged the services of McEwan and S & G Roofing. "I caution local contractors against selling their business name and reputation in these circumstances. They may be assuming financial responsibility for all work performed by the transient merchant, and the consequences could be devastating if consumers have complaints regarding the work after the transient merchant has left the state," said Stenehjem.

According to Parrell Grossman, Director of the Attorney General's Consumer Protection Division, McEwan did not have a contractor's license or transient merchant's license. "The transient merchant bond provides some protection for consumers who may file a claim for defective work or work not completed," Grossman said.

For more information about transient merchant or consumer fraud issues, contact the Consumer Protection Division of the Office of Attorney General, at (701) 328-3404 or toll free at 1-800-472-2600.